GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1053
ANSWERED ON:21.07.2017
Loans Disbursed by RRBs
Pal Shri Jagdambika

Will the Minister of FINANCE be pleased to state:

(a) the loan disbursed by Regional Rural Banks (RRBs) in various States during each of the last three years and the current year, State/UT-wise;

(b) whether any complaints have been received by the Government that the RRBs are not providing adequate benefits to the farmers;

(c) if so, the details thereof; and

(d) the remedial measures taken by the Government to provide sufficient benefits/loan to the farmers?

Answer

Minister of State in the Ministry of Finance

(a) The details of State-wise agriculture loans disbursed by Regional Rural Banks during the last three years is at Annexure-I.

(b) & (c) Government receives complaints including complaints related to agriculture loans through various modes of communication and from various sources. On receipt of the complaints, the matter is taken up at appropriate level with the banks concerned for corrective action. Separate data on specific nature of complaints is not maintained.

(d) In order to provide hassle-free institutional credit to farmers in the country, the following major schemes/steps have, inter alia, been undertaken:-
i. The Government provides interest subvention to make short-term crop loans uptoRs.3 lakh available to farmers at the interest rate of 7% per annum and in case of prompt repayment, the same gets reduced to 4%.
ii. In order to discourage distress sale of produce by small and marginal farmers, post-harvest loans against Negotiable Warehouse Receipts (NWRs) provided by banks to Small Farmers/Marginal Farmers having Kisan Credit Card (KCC), are also available at the interest rate of 7% per annum for a period of upto six months.
iii. The Government has introduced the Kisan Credit Card (KCC) Scheme, which enables farmers to purchase agricultural inputs such as seeds, fertilizers, pesticides, etc. and draw cash to satisfy their agricultural and consumption needs. The KCC Scheme has since been simplified. It has the provision of ATM enabled debit card with, inter alia, facilities of one-time documentation and built-in cost escalation in the limit, etc.
iv. To bring small, marginal, tenant farmers, oral lessees, etc. into the fold of institutional credit, Joint Liability Groups (JLGs) have been promoted by banks.
v. Banks have been advised by Reserve Bank of India(RBI) to waive margin/security requirements of agricultural loans uptoRs.1,00,000/-. The requirement of "no due' certificate has been dispensed with from the individual borrowers (including SHGs&JLGs) in rural and semi-urban areas for all types of agricultural loans including loans under Government Sponsored Schemes, irrespective of the loan amount unless the Government sponsored scheme itself provides for the same.

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